

LIMITED OFFICIAL USE

Honorable J. W. Fulbright
Chairman, Committee on
Foreign Relations
United States Senate

Dear Mr. Chairman:

I am writing to you further in regard to your letter to the Secretary of February 25 and my reply of March 6 concerning studies of termination costs prepared on Radio Free Europe and Radio Liberty.

Subsequent to my reply, we have established that the rates used by the two Radio organizations in revising and updating their estimates of June 25, 1971 are the rates of exchange currently in effect. Having received this assurance, we are now able to transmit to you these reports.

In the event that termination were to become necessary, a more thorough and detailed review would be in order. Such a review would require extensive examination both here in the United States and overseas of such matters as union contracts and the types of assistance which should be provided to terminated radio employees.

The attached reports are not classified. However, it should be borne in mind that their release would not be helpful to persons attempting to negotiate termination settlements with trade unions or other organizations having contractual relationships with the radios.

We will reply further as to the other questions raised in your original letter.

Sincerely yours,

David M. Abshire
Assistant Secretary for
Congressional Relations

State Dept. review completed.

EUR/CHP:JABaker

Clearances: H

LIMITED OFFICIAL USE



DEPARTMENT OF STATE

Washington, D.C. 20520

LIMITED OFFICIAL USE

Honorable J. W. Fulbright
Chairman, Committee on
Foreign Relations
United States Senate

Dear Mr. Chairman:

I have for reply your letter of February 25, 1972 to the Secretary requesting such studies as the Executive Branch may have prepared on Radio Free Europe and Radio Liberty, and especially such information as may be available on the estimated costs incident to termination of these two radios.

There have been cost estimates prepared by the two radio organizations for the purpose of establishing what amount of money would be necessary to handle the various financial obligations which would be incurred in the event the radios had to terminate their operations. These were prepared on a contingency basis at the request of the Administration when the Congress was considering whether or not to include funding for the radios in a continuing resolution. It was recognized at that time that a decision not to include them would have required an immediate request to the Congress for termination costs. These estimates are now in the process of being revised by the radios to reflect fully the results of the realignment of foreign currencies in relation to the dollar. This revision is to be reviewed by the Office of Management and Budget.

These estimates may be examined in their present form at the Department of State by such staff members as you may wish to designate. We would prefer, however, that they be considered as classified until the Office of Management and Budget has completed the review we have requested of it. At that time we can make the reports available to the Committee. We expect this will be possible by March 10.

25X6

LIMITED OFFICIAL USE

2

The remaining questions raised in your letter of February 25 are receiving careful attention and a response will be forthcoming in the near future.

Sincerely yours,

David M. Abshire

David M. Abshire
Assistant Secretary for
Congressional Relations

LIMITED OFFICIAL USE